

MINUTES
IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
PROGRAM

October 25, 2007

COMMISSIONER'S CONFERENCE ROOM
IOWA INSURANCE DIVISION, 330 EAST MAPLE STREET
DES MOINES, IOWA

Angela Burke-Boston, sitting as Chairperson for the absent Susan Voss, called the Iowa UST Board meeting to order at 10:04 A.M. A quorum was present. Roll call was taken with the following Board members present:

Jacqueline Johnson (via telephone)
Nancy Lincoln (via telephone)
Liz Christiansen (for Richard Leopold)
Doug Beech
Stephen Larson (for Michael Fitzgerald)
Jeff Robinson

Also present were:

David Steward, Attorney General's Office
Tim Benton, Attorney General's Office
Scott Scheidel, Program Administrator
Lacey Skalicky, Program Administrator's Office
James Gastineau, Program Administrator's Office
Elaine Douskey, Iowa Department of Natural Resources

APPROVAL OF PRIOR BOARD MINUTES

The minutes from the September 26, 2007 Board meeting were reviewed. Ms. Johnson moved to approve the minutes, Ms. Christiansen seconded the motion, and by a vote of 6-0, the minutes were approved.

CLOSED SESSION

Ms. Burke-Boston noted there were matters dealing with litigation for discussion in closed session pursuant to Iowa Code Chapter 21. The Board members entered into closed session at 10:05 AM, and the session ended at 10:20 AM. Ms. Burke-Boston made a motion to give the Administrator and the Attorney General's Office the authority to proceed with negotiations to settle several Coastal Mart claims on behalf of the Board. Mr. Beech seconded the motion,

which was approved 6-0.

PUBLIC COMMENT

Ms. Burke-Boston requested any comments from the public present. Pat Rounds from Petroleum Marketers Management Company (PMMIC) addressed the Board with regard to an item on the current agenda regarding the final adoption of underground storage tank (UST) removal rules. Ms. Burke-Boston inquired if Mr. Rounds would mind holding his comments until that agenda item was presented to the Board during Board Issues, and he agreed to do so.

BOARD ISSUES

A. Final Adoption of UST Removal Rules

Mr. Scheidel presented a memo to the Board regarding the UST removal rules that were noticed to the Administrative Rules Committee (ARC) in August and filed emergency so that the Board could implement them immediately beginning August 15, 2007. This rule also included language that transferred the Installer/Inspector Program from the Iowa UST Fund Board to the Iowa Department of Natural Resources (DNR). No public comment was received regarding the Notice by the deadline of September 4, 2007 at 4 P.M. At this time, Mr. Scheidel explained, the Board may withdraw the Notice or move forward with the filing process and adopt the rule.

Mr. Scheidel explained that he had significant discussions with Pat Rounds from PMMIC over the past week regarding the UST removal rules and how they would apply to prior UST Fund claimants who had agreed to transfer their claims to PMMIC through the loss portfolio transfer (LPT) this past spring. Mr. Scheidel discussed how the new legislation, passed in Senate File 499 during the 2007 Session, clarified the Board's authority to reimburse Iowa UST Fund claimants for the removal of UST's that had been previously upgraded. The Board had always reimbursed claimants for the removal of old UST's that had been installed prior to the adoption of upgrade rules and regulations. In 2004, legislation allowed for the Board to adopt rules to reimburse for the removal of newer or upgraded UST's through December 31, 2005. This new legislation would allow for the Board to adopt rules making the reimbursement of newer or upgraded UST's through the end of the UST Fund Program. The previous rule adopted after the 2004 Session was made effectively permanent in the new filing, as the same language was used in the new subrule.

To continue, Mr. Scheidel stated that the Administrator's Office had been approached by one or more former claimants, who had been involved in the LPT with PMMIC, requesting reimbursement for an upgraded tank pull. He included in the Board packet a list of the participating LPT sites showing which of those sites would have been eligible for the tank pull benefits if they had remained Iowa UST Fund claimants. Additionally, he included a copy of the Agreement, Waiver and General Release signed by each LPT participant.

Mr. Steward explained to the Board that he had taken significant precautions to ensure the Board's responsibility to the LPT sites would be relinquished and that all parties would completely understand that fact based on the language used in the agreements between the Board

and the former claimants and between the Board and PMMIC. He quoted statements from several paragraphs from the Agreement, Waiver and General Release including the following:

¶1: “Claimant further understands the Board shall cease to maintain any ongoing duty whatsoever to Claimant in relation to the Site, and Claimant will become ineligible to again receive benefits from the Board in relation to the Site under any circumstances.”

¶2: “, Claimant hereby voluntarily waives any and all right to receive benefits pursuant to Iowa Code chapter 455G and Iowa Admin. Code chapter 591 upon completion of the loss portfolio transfer.”

¶5: “Claimant understands and agrees that upon completion of a loss portfolio transfer to PMMIC, claimant’s continued eligibility to receive benefits is a matter to be determined exclusively between the Claimant and PMMIC.”

Mr. Steward stated that the UST Fund Board had made no representation that those former claimants would ever again be eligible for UST Fund benefits. Additionally, he quoted the agreement between the Board and PMMIC, showing that both parties had contemplated legislative changes and rule changes that might raise the question regarding continued UST Fund benefits for the LPT sites. Those questions were addressed through language in the agreement, including the following:

¶1: “PMMIC hereby assumes any and all known and unknown liabilities of the Board under Iowa Code chapter 455G to pay benefits for sites. PMMIC shall assume no less liability to reimburse the responsible parties for corrective action costs at the sites than the Board’s liabilities.”

¶1 continued: “PMMIC’s liabilities and responsibilities however are not subject to future amendments to Iowa Code chapter 455G or Board rules, and PMMIC is not restricted from offering benefits in excess of statutory and regulatory authority granted to the Board.”

He explained that the language involved protected the Board, as well as PMMIC, from any surprises brought by the future. The claimants, however, had waived their ability to come to Board for any benefits resulting from changes in the law, and PMMIC had no responsibility to provide benefits resulting from changes in the law. Therefore, he advised the Board that no one had the legal obligation to reimburse the LPT participants for upgraded tank pulls, and if the Board chose to do so, that would be a gratuitous decision that would contradict the rule and set a precedent.

Pat Rounds, President of PMMIC, addressed the Board regarding his interpretation of the new rule and its application toward LPT participants. He stated that the State Legislature passed a law, after the LPT participants had entered into the waiver and release agreements with the Board, stating that the Board would give benefits to individuals who closed tanks. He further stated that the Legislature did not put any limitations on the law.

The law to which Mr. Rounds was referring was the new legislation passed in 2007, which amended Iowa Code chapter 455G.9, subsection 1. “*Limits of remedial account coverage.* Moneys in the remedial account shall only be paid out for the following:” He read the new amendment:

“Costs for the permanent closure of an underground storage tank system that was in place on the date an eligible claim was submitted under paragraph ‘a’. Reimbursement is limited to costs approved by the Board prior to the closure activities.”

Therefore, Mr. Rounds stated the law was straightforward and included all sites for which claims had been filed after the installation of the tanks in question. He explained that PMMIC and the Administrator and the Assistant Attorney General had discussed future, unknown liabilities stating PMMIC could not be expected to pay for unknown liabilities that are not related to claims. He stated they had specifically discussed the risk posed by Methyl Tertiary Butyl Ether (MTBE). Then he questioned why an owner would give up their right to go to the Board for future unknown benefits, as created by the State Legislature. He stated the goal of the LPT “was to end the liability of the Board for that claim – for the clean up claim. And an owner agreed to go forward.” He stated that if the Board implemented the administrative rule, then the Board was essentially telling owners that if they entered into a loss portfolio transfer those owners would be “excluded from benefits forever.” He told the Board that it was appalling to think that a State agency could tell owners that the Agency (UST Fund Board) could waive the rights created by the State Legislature. He didn’t believe it was legal or right. He quoted the new rule as stating, “the claim must have remained eligible for benefits without disqualification,” and noting that nowhere in the rules was “disqualification” defined. He noted that the word “disqualification” was not in the law, but the Board had added the word to the rule. He stated if the Board planned to go forward with the adoption of the rule with the intent to not cover tank pulls for LPT participants, he would take the issue to the Legislature. He hoped the Board would agree with him that the legislative intent was to close tanks and not to exclude some owners from the benefit based on the Board’s ability to draft rules to that effect.

Mr. Beech noted that Mr. Rounds’ choice of words (i.e. “appalling”) seemed over the top in his opinion. He also questioned if PMMIC would grant the Board a pro rata refund of LPT monies, if the Legislature passed a law in the future down-grading UST Fund benefits for claimants, as the LPT agreement had indicated that PMMIC would provide no less benefits than the Board to the transferred claimants.

Mr. Rounds responded that his expression of opinion on the tank pull rule had no direct benefit to him or to PMMIC, as PMMIC had no responsibility on the matter to pay benefits for tank pulls, and his argument would only benefit owners. Mr. Beech said that a very significant precedent would be set if the Board allowed for the reimbursement of claimants for any benefit after that claimant had signed an informed consent to waive and release the Board from future liabilities in no uncertain terms. He stated that every agreement entered into by the Board to settle a claim would be called into question with each passage of law with regard to UST’s.

Mr. Steward noted that legislative intent was plainly stated within the law itself, with regard to LPT's, when the legislation to authorize the Board to enter into LPT's was passed under Iowa Code chapter 455G.6.17:

“The Board may adopt rules pursuant to Chapter 17 ”a.” providing for the transfer of all or a portion of the liabilities of the Board under this chapter. Notwithstanding other provisions to the contrary the Board upon such a transfer shall not maintain any duty to reimburse claimants under this chapter for those liabilities transferred.”

Mr. Steward explained that the legislative intent, as stated in writing, was to sever the relationship between the Board and its claimants upon entering into a loss portfolio transfer. He further stated that if the Legislature had intended to allow these LPT participants to receive benefits under the new tank pull legislation, they would have put that intent in writing in the new law; legislative intent would not be implied but rather it would be stated.

Mr. Rounds stated that if the Board was to move forward with the adoption and intent as stated by Mr. Steward, then he would go to the legislators to explain his argument. He believed the legislators had intended to get tanks out of the ground, and that the LPT relieved the Board of their corrective action liabilities only. He stated the removal of tanks was not related to corrective action, but rather was a capital improvement to an owner's property. He believed that all owners were given a new benefit by the Legislature, and because that benefit was listed under Iowa Code chapter 455G, some could be disqualified for entering into an Agreement, Waiver and General Release. He stated if the law should be moved to another chapter of the Iowa Code to allow benefits, then that is what would have to happen.

Mr. Larson inquired about the adoption process as the rule goes before the Administrative Rules Committee. He stated that any interested parties could forward public comments to the ARC, and the ARC could make changes or adjustments or even deny the rule as filed. Mr. Scheidel confirmed. Mr. Larson stated he felt the rule was appropriate based on the recommendation and explanations offered by the Administrator and Assistant Attorney General. Mr. Scheidel noted that no language in any of the referenced agreements had waived a claimant's administrative right to appeal a denial of benefits, which would then be reviewed by an Administrative Law Judge.

Mr. Scheidel pointed out that the Board's decision with regard to the UST Removal Rule adoption directly affected the 10 LPT participants, but also directly affected the Board's reliance upon the LPT process to truncate the liabilities of those claims transferred.

Mr. Rounds requested a definition of the extra language added to the rule, which was not in the law, specifically the term “disqualification.” Mr. Steward responded the Board could defer to the Webster's Dictionary definition of the word. He reiterated that anyone who questioned the Board's use of the rule with regard to disqualifying a site from the tank pull benefit, could indeed appeal to the Administrative Law Judge for a decision on the matter.

Jeff Hove from the Petroleum Marketers and Convenience Stores of Iowa (PMCI) inquired if the section of the new rule referring to “the claimant seeking reimbursement....” meant the Iowa

UST Fund claimant or any individual filing a claim for reimbursement of a tank pull. Mr. Steward explained that Iowa Code chapter 455G.2 defined the term “claimant” to mean an Iowa UST Fund claimant, and all sections and subsequent rules associated with the chapter would follow the guidance of that definition.

Mr. Larson stated that he appreciated the comments received regarding the rule filing, and he made a motion to move forward with the rule filing and adoption of the UST removal rule before the ARC. Mr. Beech seconded the motion, which was approved by a vote of 6-0.

Mr. Beech noted that if Mr. Rounds’ consideration of corrective action costs vs. non-corrective action costs denotes an effective reason for the Board to reimburse tank pull costs to claimants who had previously released the Board from maintaining “any ongoing duty whatsoever...under any circumstances”, then the Board should address the confusion when negotiating any future LPT agreements. Mr. Steward reminded the Board that if it received a claim for such benefits and the Board wanted to allow tank pull benefits to an LPT participant, the Board had that right, even if it contradicted the language of the waiver and the language of the agreement, and even if it set a precedent. Mr. Scheidel agreed stating that in the future LPT’s could be negotiated to include the liability of tank pulls at claim sites or the Board could elect to maintain the tank pull benefit for sites and transfer all liabilities except tank pull reimbursement.

B. Software Investigation Committee (SIC) Recommendation – RBCA Rule

Mr. Scheidel presented to the Board the informational item from the Department of Natural Resources (DNR) to the Environmental Protection Commission (EPC), including the Notice of Intended Action for Information regarding the risk based corrective action (RBCA) rule changes to be presented at the November 7th meeting of the EPC. The proposed rule had been amended since it was presented at the September Iowa UST Board meeting and would now include only the implementation of the recommendations of the SIC committee and a clarification on the corrective action meeting process, so that the meetings would be tracked by DNR on a regulatory basis in lieu of corrective action design reporting.

C. Loss Portfolio Transfer Discussion

Mr. Scheidel explained to the Board that he would continue to include Loss Portfolio Transfer Discussion on the agenda for Board meetings to address any questions from Board members, as the Board awaits a proposal from PMMIC for a selection of claims’ liabilities.

D. 2008 Goals Quarterly Update

Mr. Scheidel provided the Board with a memo in the Board packet discussing the progress toward goals set for fiscal year 2008. He stated the Program had closed 69 claims since July 1, 2007. Additionally, he noted that 38 corrective action meetings had been held. Regarding loss portfolio transfers (LPT’s), he stated that PMMIC representatives had been reviewing claim files to develop a new LPT proposal to present to the Board. Next, he stated that Mr. Gastineau had been working with DNR staff regarding plastic water lines, and he had made a recommendation

in September regarding how to consider plastic water lines receptors. He noted that DNR had drafted guidance regarding well closures, and the Administrator's Office was awaiting a final copy. Lastly, Mr. Scheidel stated that a Notice of Intended Action for Information had been removed from the EPC agenda in October regarding the SIC recommendation for RBCA model changes, however the Notice had been amended for presentation at the November EPC meeting.

E. DNR Update

Elaine Douskey, UST/LUST Supervisor, addressed the Board regarding activities at the DNR. She explained that the RBCA rule to be filed had been pared down to 2 items rather than the 6 items presented at the last Board meeting. She stated that the DNR's reasoning for the previous draft was to address how high volume pumping water wells would affect nearby contaminant plume movement; which the DNR felt would not be addressed under the revised RBCA software model. Ms. Douskey said that concern still remained, and DNR would continue to watch those wells and attempt to screen for problematic situations in regard to nearby plumes. She stated that the old RBCA model had classified about 370 LUST sites as high risk where drinking water wells, approximately 800 of them, were the high risk receptors. DNR staff was to apply the new model to those 370 LUST sites to see how the modeled plumes would change, so that DNR staff could further evaluate the concern over high volume pumping water wells. She explained they would try to create a tool to screen for these situations and to identify a way to address these situations in administrative rule.

Also, Ms. Douskey noted that DNR would have to put in a transition rule to address LUST sites that previously had been classified under the old RBCA model and were currently undergoing remedial activities resulting from those assessments. She reported that approximately 4,000 sites had been assessed under the old RBCA model, and approximately 1,600 of those remained open. Many of those sites had convened a corrective action meeting to move forward with work and many others were already in the remedial process. The DNR did not want to invalidate the assessments and current courses of action at sites due to the adoption of a new RBCA model. As a result, Ms. Douskey explained that language would be added potentially to the rule at some point to effectively validate old assessments and work.

Next, Ms. Douskey reminded the Board about a new DNR process discussed by Tim Hall, Bureau Chief at the DNR, at the last Board meeting regarding the placement of plastic water lines. She explained that the LUST and Water Supply sections of the DNR had a process of cooperation planned to prevent Water Supply from allowing permits to install plastic water lines (or water wells) where a LUST contaminant plume existed. She brought handouts for Board members to see how the GIS mapping of the LUST sites and their corresponding 1,000 ft buffers would look to the Water Supply staff when searching for a particular permit area. If a potential permit area fell within a buffer, the Water Supply staff could contact LUST staff to further determine the actual modeled plume for that LUST site. Ms. Douskey stated the URL site for this function would be moved into production and the Water Supply checklist form would be in use within a few weeks.

Ms. Douskey stated that the Fire Marshal's office had requested assistance from the DNR to use a form of DNR's underground storage tank (UST) database to track aboveground storage tanks

(AST's), which are regulated by the Fire Marshal's office. She said that DNR's information technology (IT) people had made positive comments about the project, so she felt they would be able to help.

Also, Ms. Douskey reported that DNR staff was scheduled to speak or meet at several upcoming events. Paul Nelson was to attend a national meeting regarding the Federal Energy Policy Act provisions. At the end of November, the Environmental Protection Agency's (EPA) Fall Conference had several LUST issues on its agenda. Also, a meeting between the EPA and state representatives was to be held regarding the Energy Policy Act provisions, and Tom Collins was scheduled to be on a discussion panel to speak regarding Iowa's third party inspection program for UST's. The Iowa Groundwater Association was holding their Fall Conference in Iowa City on December 4th, and a LUST staff person would be speaking there, as well.

Lastly, Ms. Douskey introduced the DNR's new attorney, Tamara Mullen, who was working on several LUST issues for the Department, including institutional controls, environmental covenants, property searches, responsible party searches, and more. She noted that the DNR was working on a draft of a 28E agreement with the Board regarding the attorney position, as the Board had previously agreed to provide half the funding for the position in the absence of federal grant money, which was requested annually but never guaranteed.

Mr. Scheidel inquired about the potential transitional rule that Ms. Douskey had mentioned. She explained that the DNR's intention was to prevent site owners from having to duplicate work after already having been assessed and a work plan in place. Mr. Scheidel inquired if it was the site owner's choice regarding which assessment to submit and she confirmed that it would be the owner's choice.

Mr. Rounds inquired about the new law adopted regarding no further action (NFA) claims, as he wanted to know if LPT claims would be disallowed from receiving such NFA benefits. Mr. Scheidel noted that the 28E agreement between the Board and the DNR had yet to be drafted and the draft process would allow for public comment from stakeholders; however he stated the intent of the Board and the DNR was to include all UST sites as eligible for NFA funding, regardless of how the LUST contamination was initially resolved and funded.

Mr. Steward also stated that although the waiver and general release signed by LPT participants was clearly stated as releasing the Board from any and all liabilities associated with their UST sites, the Board may add back in benefits for those sites under the agreement between the DNR and the Board by allowing for NFA benefits for UST sites based on the DNR's evaluation that new evidence supports the need for action at a site previously certified as NFA. He stated the Board had the authority to address LPT sites specifically in the language of the agreement, to make their inclusion more clear if necessary, if the Board and DNR do agree to include all sites as eligible for NFA funding.

Mr. Beech reiterated his opinion by stating that the Board had agreed to enter into a LPT agreement with PMMIC based on the understanding that those site owners had waived all benefits for which the Iowa UST Fund could be responsible. He felt that if the sites' liabilities were transferred then they shouldn't come back, and if they do then he would hesitate to enter

into any subsequent agreement. Mr. Steward confirmed that the language used in the agreements, in fact, ensured the Board that transferred sites' owners could not come back to the Board for any benefits offered under Iowa Code 455G.

Mr. Rounds reported that when these potential new laws were discussed by stakeholders and with legislators, he understood that LPT participants would not be excluded from either NFA or UST removal benefits. He felt he was being told a different story now, so he was disappointed that he would have to go to the Legislature to continue his argument.

PROGRAM BILLINGS

Mr. Scheidel presented the current monthly billings to the Board for approval.

1. Aon Risk Services\$117,120.00
Consulting Services – November 2007 (\$64,536.00)
Claims Processing Services – November 2007 (\$52,584.00)
2. Attorney General's Office.....\$9,503.90
Services provided for September 2007
3. Iowa Department of Revenue\$498.86
Environmental Protection Charge Collections (3rd Q)
July – Sep 2007

No additional billings for outside cost recovery counsel were presented by the Attorney General's office for this meeting. On a motion by Ms. Christiansen and a second by Mr. Larson, the billings were approved by a vote of 6-0.

MONTHLY ACTIVITY REPORT

Mr. Scheidel noted that the September activity report, financials and opt-in report were in the Board packets for the Board members to review.

ATTORNEY GENERAL'S REPORT

Mr. Steward stated he had nothing to report to the Board at this time.

CLAIM AUTHORITY

Mr. Gastineau presented the following claim authority requests:

1. **Site Registration 8609543 – Madrid Auto Body, Madrid**

This was a second Board report for this site, which was high risk for one residential basement and one non-residential sewer. The contaminant levels were extremely high. An excavation was

recommended to remove the contaminant source. Significant contamination would remain due to inaccessibility, but monitoring for the remaining contamination had been agreed upon. Previous authority to \$150,000 had been granted, and \$78,591.30 was incurred to date. Additional authority to \$221,000 was requested for a site monitoring report (SMR) and implementation of the excavation.

A motion to approve the claim authority was submitted by Ms. Christiansen and seconded by Mr. Larson. Approved 6-0.

2. Site Registration 8600044 – Krause Gentle Corp., Monroe

This site was a second Board report for a site classified high risk for vapor receptors. The site had tight soils, and a dual phase remediation system had been in place since 2001. The system had minimal impact and had broken down due to long-term use. The UST operations were closed in 2003, which would now allow for an excavation. DNR had insisted on a broad excavation, and the proposed excavation will remove 5,300+ yards of contaminated overburden, as well as, 2,400 yards of clean overburden. Some contamination will be left on off-site properties in three directions where streets and structures prevent excavation. Additional remediation activities may be required. Previous authority to \$500,000 had been granted, and \$319,228.23 was incurred to date. Additional authority to \$700,000 was requested for a SMR, complete excavation, a possible corrective action design report (CADR), and implementation of that CADR.

Mr. Larson submitted a motion to approve the claim authority, and Ms. Christiansen seconded the motion, which was approved 6-0.

3. Site Registration 8609078 – Wood Oil Co., Monmouth

This site was classified high risk for significant poly vinyl chloride (PVC) water lines within the modeled plume. Some of the PVC water lines had been replaced after it was agreed at a corrective action meeting to replace much less than that modeled. Continued monitoring would be required to establish a stable plume and for the low-risk protected groundwater source plume. Previous authority to \$75,000 had been granted, and \$85,215.76 was incurred to date. Additional authority to \$125,000 was requested for a SMR.

Ms. Christiansen submitted a motion to approve the claim authority, and Mr. Beech seconded the motion. Approved 6-0.

4. Site Registration 8605033 – Pottawattamie Co Development Corp, Council Bluffs

This was a second Board report for a site that was classified high risk for at least one actual residential sewer. The site was to be developed in the spring, when at least two more residential sewer receptors would be added. Soil vapor sampling had failed, and a large excavation was proposed to address the contamination prior to site development. Previous authority to \$328,813.11 had been granted, and \$128,680.86 was incurred to date. Additional authority to \$418,813.11 was requested for a SMR and implementation of an excavation.

Ms. Johnson submitted a motion to approve the claim authority, and Ms. Christiansen seconded the motion. Approved 6-0.

5. Site Registration 8609040 – Spratt Oil Sales Inc., Letts

This was a second Board report for a site that was classified high risk due to nearby drinking water wells. The wells were relatively close, so the site-specific target levels (SSTL's) were very low. The levels were almost at the target SSTL's but it would be difficult to get there and maintain those levels. Previous authority to \$360,000 had been granted, and \$366,747.06 was incurred to date. Additional authority to \$450,000 was requested for a SMR and operation and maintenance.

Mr. Larson submitted a motion to approve the claim authority, and Ms. Christiansen seconded the motion. Approved 6-0.

6. Site Registration 8609394 – Moorhead Coop, Moorhead

This site was classified high risk for groundwater and soil leaching to groundwater ingestion. The City wells were located near the site and were relatively shallow. The City of Moorhead had twice voted against relocating their wells. Only free product recovery had been performed at the site since 2005. A SMR was completed in October 2007 requesting a corrective action meeting to move this site along. Previous authority to \$75,000 had been granted, and \$89,252.12 was incurred to date. Additional authority to \$360,000 was requested for a SMR, free product recovery (FPR) and possible implementation of a CADR. Mr. Gastineau explained that the Board had twice before deferred the Board report for this site; therefore only free product recovery had taken place. The groundwater professional had requested a corrective action meeting to discuss remediation options. Mr. Gastineau and Verne Schrunk from DNR had attended City meetings to explain to them why they should relocate their turn-of-the-century (installed approximately 1890) wells), however the City twice voted against the idea.

Mr. Beech submitted a motion to approve the claim authority, and Mr. Larson seconded the motion. Approved 6-0.

CONTRACTS ENTERED INTO SINCE THE SEPTEMBER 26, 2007 BOARD MEETING

Mr. Scheidel noted that the Board had entered into one new contract extension for a community remediation project in Bentley (Neola), Iowa with Barker Lemar Engineering Consultants.

OTHER ISSUES

Ms. Christiansen inquired about the Administrator's contract renewal with Aon. Mr. Steward stated the Board had previously voted to renew the contract effective January 1, 2008 through December 31, 2008. Ms. Christiansen asked if the Board was required to follow the Accountable Government Act requirements for that contract, and Mr. Steward said, "Yes."

Mr. Larson stated that he appreciated the public comment received regarding the administrative rule filing at the meeting. He said that he ultimately agreed with the opinions expressed by Mr. Beech with regard to the intent of the LPT agreements. He explained that he believed in the Administrative Rules Committee (ARC) process, and he requested that the Administrator keep the Board advised of any comments or amendments resulting from that process.

Mr. Scheidel noted that the next Board meeting was scheduled for Tuesday, December 11, 2007.

CORRESPONDENCE AND ATTACHMENTS

Ms. Burke-Boston asked if there was any further business, and there being none, Ms. Christiansen moved to adjourn, and Mr. Larson seconded the motion. By a vote of 6-0, the Board adjourned at 11:43 A.M.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Scott M. Scheidel". The signature is written in a cursive, flowing style.

Scott M. Scheidel
Administrator